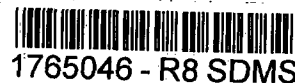


A-0452



GUIDEBOOK OF

San Juan--San Miguel--La Plata Region

New Mexico and Colorado

JOHN SHOMAKER

Editor

NEW MEXICO GEOLOGICAL SOCIETY

NINETEENTH FIELD CONFERENCE — SEPTEMBER 19, 20, AND 21, 1968

RICO, COLORADO: A CENTURY OF HISTORIC ADVENTURES IN MINING

By

CHARLES M. ENGEL

Rico, Colorado

Reviewing the history of one hundred years of mining in the Rocky Mountains, one learns of the monuments and the man-made scars of mining booms and busts once hidden in remote areas of the rugged mountains of Southwestern Colorado. The dim trails worn through the forest wilderness by wild animals, used by Indians in their search for food and later by fur trappers from the St. Louis Fur Company and prospectors of a century past are today's jeep trails, graveled roads and paved highways. The narrow gauge railroads that once traversed fertile valleys and climbed among mountain crags into mining camps isolated in the wilderness were destroyed by progress and the passing of time.

With few exceptions old mining towns are ghost towns; ghosts of what they were, ghosts of what they were intended to be. The booming mining towns of the frontiers of yesteryear are the cultural centers and the tourist attractions of today; a few survive and have retained their identities. Rico, Colorado, incorporated in 1879, may be one of the latter.

The Town of Rico is nestled near the center of an almost isolated group of high mountain peaks known as the Rico Mountains. It lies within an oval area approximately 7 miles in diameter east and west and 5 miles north and south along the Dolores River. Rico is 26 miles south of the mining town of Telluride and 35 miles north of the farming and stock raising community of Dolores on State Highway 145 in southwestern Colorado.

Attention is directed toward the history of Rico and the surrounding area and no attempt is made here to discuss the geology of the district further than to explain in brief the features of the surrounding mountains. For that purpose we quote from "Geology of the Rico Mountains, Colorado" by Whitman Cross and Arthur Coe Spencer (U.S. Geol. Survey 21st Ann. Rept., pt. 2, pp. 7-165). Quote: "The principal structural feature of the Rico Mountains is a dome-like uplift of sedimentary beds resulting from a distinct vertical upthrust . . . the influence of which is distinctly limited to the Dolores River valley . . . the north-south diameter of the visible dome being about 12 miles."

And from the same report: "John B. Farrish: . . . The elevation of the mountains was associated in its origin with the intrusion of a laccolitic mass of porphyritic diorite which may be seen a short distance above town. The amount of the upheaval at the center of the uplift was several thousand feet . . . the sedimentary rocks about Rico are stated by Farrish to be Carboniferous and Carboniferous Proper."

The Rico Mountains are steep, gulches are deep and erosion continues, sometimes with alarming speed. Much of the area is covered by landslides and dense growths of quaking aspen and spruce timber which made prospecting both difficult and expensive.

In 1833 Wm. (Colonel) Walton, a trapper from Taos, New Mexico visited the area and it is said that he was the first white man to explore the Dolores River valley. Col. Walton is reported to have observed many bands of Indians and evidence of old Spanish smelters in the vicinity.

As early as 1860 Gus Begole prospected the Dolores River valley and located some galena lodes near the site of Rico. The area remained inactive until Sandy Campbell, James Buchanan and William (Adobe) Brown came into the region. John Glasgow, Bob Snyder and Ed. Robinson followed and in 1869 a party on a prospecting trip from Santa Fe penetrated the area. Jack Eccles, Joe Fearheller, Tom Sager, Finker Brown, Pony Whitmore and a man named Miller entered the Dolores River valley by way of La Plata, Baker's Park (Silverton) and Trout Lake.

Sheldon Shafer and Joe Fearheller located the Pioneer Lode in 1869 and when it was later developed as the Shamrock and Potter Mines it became the first profitable ore producing property in the District. A new mining district formed of the Rico Mountains was appropriately named the Pioneer Mining District.

The party of prospectors returned to Fort Defiance in August and reported their discoveries to E. N. Darling. Mr. Darling and his party were surveying boundaries of the Ute Indian Reservation and the Territory of New Mexico for the United States Government. Unable to participate in further exploring the Dolores River valley, Darling assisted in organizing a party of fifteen men to investigate the reported discoveries. Under the direction of Captain Bennett and Lieutenant Ford, and assisted by R. C. Darling and J. Carey French, the fifteen men explored the Rico district in the fall of 1869. Seven members of the party spent the winter at the present site of Rico while working the Atlantic Cable and Dolores Claims. In the early spring of 1870 R. C. Darling and Faustino Caladone, a Mexican from Santa Fe, built adobe furnaces (Spanish smelters) for retorting the ores from the mines. The furnaces were constructed from native materials which were not suited for the purpose and when they collapsed after only a few months use, Darling abandoned the project to explore west of the Dolores River in the area presently known as Iron Gulch.

During the summer of 1870 R. C. Darling built a rather pretentious double log cabin on the bank of Silver Creek,



A panoramic view of Rico taken shortly after the arrival of the Rio Grande Southern Railroad in 1891.

the first permanent structure to be erected on the site of Rico. Within weeks a small settlement appeared; mining activities increased and a boom seemed imminent. However, before any substantial gains had been made, the panic of 1873 had a killing effect on mining throughout the San Juans. Those who had not already become established were forced to seek their fortunes elsewhere. Many were enticed to the Black Hills by the excitement there. The panic lasted three years and was detrimental to the progress of the district.

Quite apart from the effect of the panic was the major problem of transportation. The Denver Pacific and Kansas Pacific Railroads had reached Denver in 1870, but were too far away to be of any help to the problems of transportation confronting the San Juan. In 1875, during the depression, the extension of a railroad south and west from Denver was in the first stages of planning. It was a period of uncertainty and doubt.

Geographically, the logical route into the Rico District was by way of the Dolores River valley from the south but to the south there were only semi-arid wastelands infested with hostile Indians. By necessity rather than by choice three routes were established into the district. Lake City was a thriving, well stocked town and the route from Lake City via Ouray, Ophir Pass and Trout Lake to Rico had advantages so long as it could be kept open. When heavy snows closed the route during the long winter months two less desirable routes to the southeast were used.

The longer of the two routes by way of Bear Creek was abandoned after several years use because of the treacherous Bear Creek Hill. A road was built along the trail from Animas City up the Hermosa to the divide and down Scotch Creek into the Dolores River valley. Improved in the 80's and designated a Toll Road it served the community well until the Rio Grande Southern Railroad reached Rico from the south in 1891. The Old Scotch Creek Toll Road and the road over Ophir Pass are open to Jeep travel today and each provides its own exciting trip into the past.

In 1874 the first survey expedition was sent into this part of the San Juan under the direction of Professor Hayden who named some of the principal mountain peaks and established various elevations. For the geology of the Rico Mountains compiled before the turn of the century the work of Whitman Cross and Arthur Coe Spencer has been accepted generally as the most complete and authoritative.

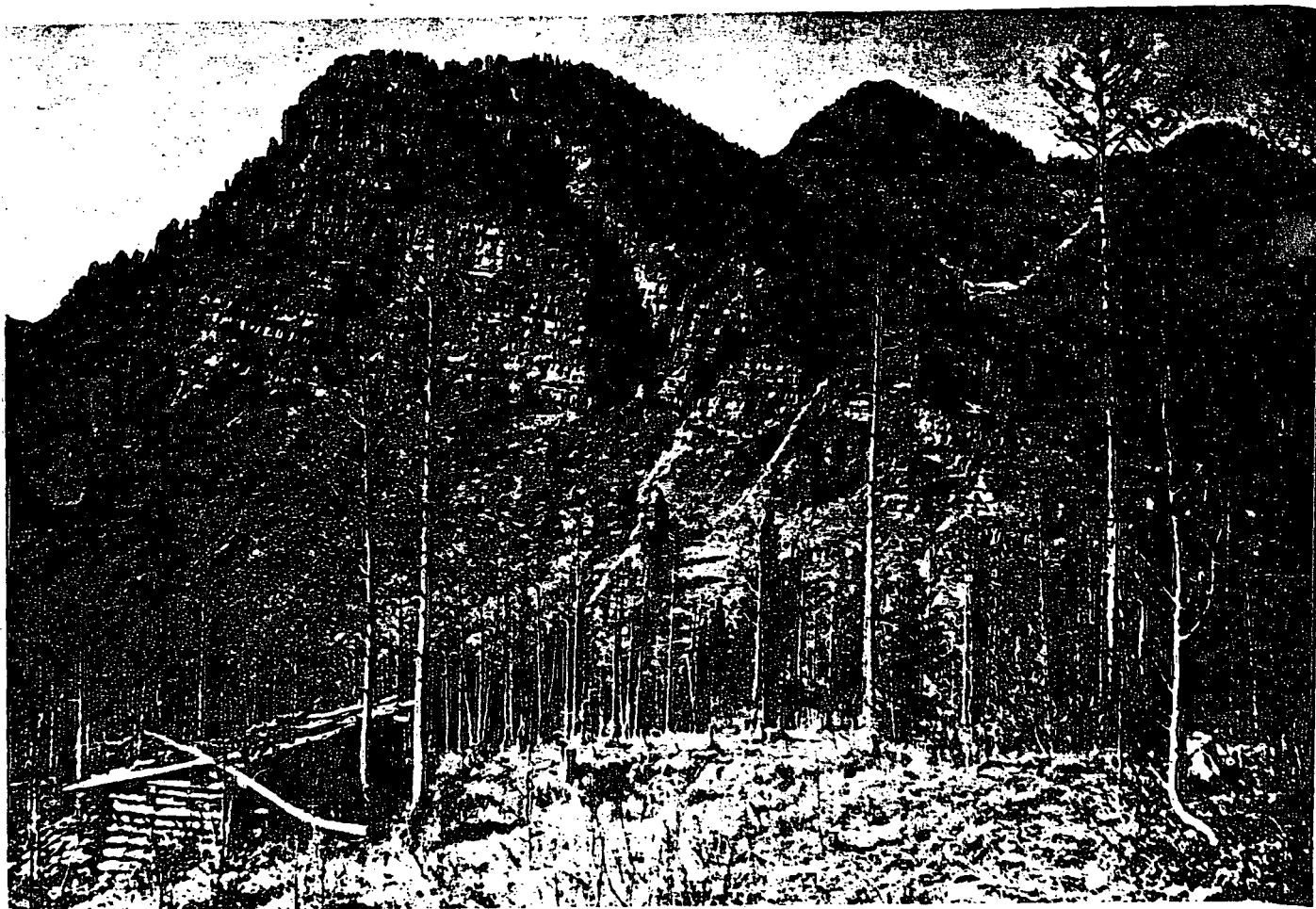
Prior to the signing of the Brunot Treaty in 1874, fur trappers and prospectors who plied their trades in the San Juans were considered to be trespassing on Indian territory. Following the signing of the treaty a strip of land in the Territories of Colorado and New Mexico was opened to settlers; increased activity was immediately noticed throughout the region.

Colorado, the Centennial State, was admitted as the 38th state of the Union in 1876; the Town of Ouray was incorporated and became the County Seat of Ouray County; prospecting and mining were legal in Colorado and confidence in the future of the region was restored.

Within two years the number of prospectors in the Dolores River valley increased tenfold. Prospects that were developed into producing mines included the Shamrock and Potter Tunnels, the Aztec and Dolores Mines on Expectation Mountain and the Atlantic Cable Shaft near the confluence of Silver Creek and the Dolores River. John Glasgow discovered deposits of highgrade lead ore carrying silver on the Black Hawke Lode on Black Hawke Mountain and soon thereafter Simon Ransom and J. C. Haggerty located rich deposits of carbonates of lead and silver on Nigger Baby Hill.

News of these important discoveries spread rapidly to distant places but winter closed in and delayed a stampede into the area until early spring of 1879. Within months a small settlement of prospectors and miners exploded into a booming mining town with an estimated population of 1,200 persons.

Alexander Campbell and Charlie Humiston were claimants to the site of Rico by right of first location and de-



Sandstone Mountain, from near road at base of C.H.C. Hill, Rico quadrangle, Dolores County, Colorado. Published as figure 2 in U.S. Geological Survey Geologic Atlas, Folio 130, 1905.

Photograph by Whitman Cross, U.S. Geological Survey

cided to divide their mill sites into town lots. A townsite one-half mile wide and one mile long was laid out along the Dolores River and the first six blocks surveyed and divided into forty lots each.

In August the miners held a meeting to draft local regulations. R. C. Darling was elected President in charge of Committees to serve until an election could be held.

During its brief history the camp had been known as Carbonate City, Dolores City, Doloresville and Lead City. The name Rico, Spanish for rich, was finally agreed upon and incorporation proceedings were immediately instituted; on October 11, 1879 the Town of Rico became the second incorporated town in Ouray County.

Rico was granted a post office and a mail route was established from Silverton via Ophir and Trout Lake; the first issue of the Dolores News appeared on August 21st. The first major sale of mining property in the district was recorded when Senator Jones of Nevada and his associates purchased the Grand View and other lodes from Campbell and Humiston and the Yellow Jacket and Phoenix lodes from John Glasgow. The price of the Grand View was \$60,000.00; the price of the Yellow Jacket and Phoenix lodes was not divulged.

In the first election (special) held in Rico in 1879 a Mayor, a five-member Board of Trustees and a Recorder were elected.

Dolores County, with an area of 950 square miles, was created by the division of Ouray County with passage of House Bill No. 111 on February 10, 1881 and Rico was made the County Seat.

By now it seemed likely that Rico would become a silver mining metropolis; hundreds of mining claims were staked with an unknown number of properties producing ore. By actual count 105 log cabins were built during one thirty-day period and business houses increased in numbers proportionately with the population.

Beginning with the incorporation of Rico in 1879 until the early 1890s Rico showed a steady growth despite the many problems. Activity was limited due to the lack of adequate transportation; light and power were nonexistent and communications were unsatisfactory. Supplies were freighted into Rico from Rockwood at a cost of \$12.00 per ton; ores were "shipped" by packtrain and wagon to the end of the railroad, thence to the smelters in Denver or Pueblo at an additional cost of \$8.00 per ton.

The Rio Grande Southern Railroad was incorporated at

a capitalization of \$5,000,000.00 by Otto Mears, Governor Cooper, Senator Taylor, M. D. Thatcher and Associates in 1889 and construction of the line was pushed towards Rico from the south.

Significant in the history of Rico are the discoveries of ore deposits which stimulated the development of the district. A strike of rich gold ore in the Johnny Bull Shaft in 1880 created a hotbed of activity in Horse Gulch that lasted for years after the last of the \$100,000.00 pipe of gold had been mined; subsequently an equivalent value in gold was mined from the Puzzle Shaft one mile up Horse Gulch. (See U.S. Geol. Surv. 21st Ann. Rept., Pl. XXXVIII, View of Horse Creek from C. H. C. Hill).

In 1879 Charles H. Carpenter staked a claim on the west face of Telescope Mountain and named it the C. H. C. He met defeat in his first attempt to sink a shaft when the constant movement of the landslide in which he was working twisted and pulled the timbers out of plumb. (See U.S. Geol. Surv. 22nd Ann. Rept., Pl. XVII, Tree split by recent landslide movement, upper limit of C. H. C. Hill). A more desirable location nearby proved fruitful and the C. H. C. claim became one of the first producers in that area; thus the name C. H. C. Hill. Mines that contributed to the prosperity of Rico from that vicinity were the Gen. Logan, Gen. Sherman, Princeton, Mountain Springs, Wellington, Premier, Pigeon, Lillie D, St. Louis and others.

The west face of Dolores Mountain was named Newman Hill for Charles A. Newman, who was for many years active in mining and public life in Rico. The list of mines on Newman Hill that contributed to the economy of Rico and the District is endless. Probably the greatest single impact on mining in the Rico District was the discovery of the Enterprise Contact in 1887.

David Swickhimer had bought a one-half interest in the Enterprise from George Barlow and agreed to develop the property for an additional one-quarter interest.

The Swickhimer Story from Riches to Rags to Riches (with many variations) is familiar to all who have heard or read about Rico. Dave Swickhimer was versatile; he was a capable miner, a shrewd business man, well known and respected. When he bought an interest in the Enterprise he had no thought of becoming caught in a web of circumstances that would lead him to the brink of ruin.

Soon after a shaft was started on the Enterprise it became necessary to do considerable work on each of the claims in the group to avoid getting caught in a squeeze between other property claimants. Cost of operation was several times more than had been anticipated and funds dwindled rapidly; at the same time mineralization and small stringers of ore in the shaft encouraged continuation. All of the Swickhimer savings were invested in the project; credit with the merchants became strained and finally stopped entirely. A. S. Ditchfield, one of many merchants who had extended credit to the Enterprise informed Swickhimer that a meeting of creditors was held and it was decided that under no circumstances would further credit be extended until all accounts were paid in full. Thousands of dollars in wages were owed to the miners in addition to

the store accounts. At the most crucial time Mrs. Swickhimer was notified that she had won \$4,000.00 in a Louisiana lottery. The money was used to pay a few of the smaller accounts, buy needed supplies for the mine and purchase food for some of the miners in an effort to encourage them to continue working. In a last desperate effort to raise more money Mrs. Swickhimer is said to have offered to pawn her diamonds and jewelry. This was never necessary; the shaft had reached a depth of 262 feet where the contact encountered contained 15 inches of ore assaying \$300.00 per ton in silver and gold.

The discovery of contact ore in the Enterprise shaft provided a key to the ore deposits on Newman Hill. The Enterprise Mining Company was organized and a major development program employing two hundred men was instituted. The Company soon became the largest producer of ore in the Rico District, and was looked upon as the hub of all mining operations. John B. Farrish examined the Enterprise group of mines for Posey and Crawford in September 1891 and the fifteen claims were bought for \$1,250,000.00 cash.

A boom that would last for six years was sparked with the announcement of the strike in the Enterprise Shaft. Hardly noticeable at first, it gained momentum each year as indicated in the following dollar production figures for that period:

1887	\$ 300,000.00
1888	750,000.00
1889	800,000.00
1890	950,000.00
1891	1,250,000.00
1892	2,533,050.00

The foregoing figures represent the total production reported from the Rico District in the years shown and are used here for comparative purposes only. The source of information is considered reliable.

From the Rico News of June 18, 1892, Morrish and Coughlin: "The Enterprise vein: Developed for over 3,000 feet along the vein and 300 feet high. Four-fifths of this ground has not yet been touched. Vein will average 15 inches in width for the length exposed, 3,000 x 300 feet. The ore is clean and runs high in gold and silver."

Before the turn of the century the ores mined in the Rico District were of necessity upgraded and kept clean because of transportation costs. Even after the railroad relieved the problem of transportation the custom of upgrading and shipping the ores in sacks was continued by some producers.

Many times in the history of Rico mention is made of the Grand View Smelter, Pasadena Smelter, Lixivation Works, Rico Sampling Works, Rico Concentration Works and other concentrating plants.

The Grand View Smelter, most often referred to, operated for four years in the early 80's under eight different managers. During the winter of 1890-91 it was again operated on ores from the Pigeon and other mines on C. H. C. Hill. From its beginning the smelter manage-



Horse Gulch from C.H.C. Hill, Rico District, Dolores County, Colorado (1900). Published as plate 38 in U.S. Geological Survey Annual Report 22, pt. 2, 1901.

Photograph by F. L. Ransome, U.S. Geological Survey

ment was plagued with labor and financial troubles. When operation was finally discontinued it reportedly was because expenses were always greater than receipts.

Reports on reduction and concentration plants in the Rico District prior to 1900 are meager, inconclusive and sometimes nonexistent; their efficiency appears questionable, thus no attempt is made on details of their operation.

The boom of the Rico District was accelerated with the arrival of the Rio Grande Southern Railroad in 1891. Assessed valuation during the year was raised from \$480,000.00 to \$750,000.00. In 1892 more than \$150,000.00 was spent on building construction within the town; constructed of stone and pressed brick were the Dolores County Courthouse, Rico State Bank, Rico Hardware, post office, Masonic Hall, Dey Building, Burley Block, Rico Mercantile and a four room school. The school building was demolished in the 50's and a new four room elementary school was built; the other buildings remain.

Business and professional firms numbered 78 in a census taken in mid-summer 1892. Of 59 operating mines in the District eleven were shipping five or more ten-ton cars of ore monthly. They were:

Rico Enterprise	150 cars	C. H. C. Group	10 cars
Rico Aspen	75 cars	World's Fair	5 cars
Gen. Logan	60 cars	Cobbler	5 cars

Black Hawke	50 cars	Eureka	5 cars
M. M. P.	10 cars	Eighty-Eight	5 cars
		Newman	10 cars

It may be noteworthy to mention that net smelter returns on 75 tons of ore from the Aspen approximately equaled that of 100 tons of ore from the Enterprise; likewise the net returns on five tons of ore from the World's Fair equaled 10 tons of ore from the M. M. P.

Mines operating in the Rico District were employing 1,800 to 2,000 men; four freight trains each day were required to transport ore and supplies. Four passenger trains arrived daily with mail and express and people from all walks of life. Fourteen hotels were filled to capacity each night; the lush Enterprise Hotel with 62 rooms found it necessary to use its sample display room for sleeping quarters. Rico had reached her zenith.

Repeal of the Sullivan Silver Purchase Act, instigated by President Grover Cleveland in 1893, shattered the future of mining camps and plunged the people of the Silver State into financial chaos. Within months four thousand inhabitants dwindled to 2,500; the decline continued and in 1900 the census count listed 811 men, women and children. In 1903 the Enterprise Hotel was totally destroyed by fire; sixty percent of the business houses were forced to suspend operation and in 1907 the Rico State Bank, David Swickhimer, Pres., went into receivership.

Following a period of inactivity, encouragement came in 1913 when the Knight Investment Company of Salt Lake City, Utah reopened the Wellington and Mountain Springs mines on C. H. C. Hill. The operation continued until 1919 and resulted in the production of a fabulous amount of highgrade copper ore.

After four dull years with the population listed at 212, Robert L. Pellet and Mrs. Elizabeth E. Pellet reopened the Falcon and Yellow Jacket mines on Nigger Baby Hill. They acquired more property and were successful in interesting officials of the International Smelting and Refining Company in a development and mining program. The Rico Mining and Reduction Company entered the District under the supervision of Stanley Walker; George Collins reopened the Union Carbonate Mine. The International S. and R. Company operated the Shamrock and Potter Tunnels and the Atlantic Cable Shaft; the Pro Patria mill located on West Mantz Avenue was renovated and the capacity increased to 250 tons per day. Five years of prosperity were enjoyed before the stock market crash of 1929 closed the mines.

Robert L. Pellet and Associates acquired the properties of the International S. and R. Company at the beginning of the depression and operated the Pro Patria during the 30's with a crew of thirty men. The St. Louis Tunnel was "spudded in" in 1930 and driven to a depth of 6,000 feet under the direction of Duane M. Kline, General Manager for the St. Louis Smelting & Refining Company. Employment dropped to thirty-five or forty workers and the population of Rico dwindled to less than three hundred persons.

Mr. C. T. VanWinkle and the J. A. Hogle Investment Company of Salt Lake City reorganized the Rico Argentine Mining Company and in 1937 operation of the Blaine Tunnel, located two miles up Silver Creek, was started with a crew of three men. A large body of lead-zinc ore was developed; in 1938 a new 135 ton per day flotation mill was built on the property. Operations were extended, and by 1948 the Rico Argentine Mining Company had increased their holdings in the Rico District from an approximate 240 acres to more than 3,000 acres. Mr. VanWinkle retired in 1948 and was succeeded as President and General Manager by Mr. Sherman B. Hinckley. Some operations of the Company were curtailed in the fall of 1948 and a crew of over 200 men was reduced to less than fifty workers.

A sulphuric acid plant designed for 150 ton per day capacity was constructed at the site of the St. Louis Tunnel one mile north of Rico in 1953. Operation of the acid plant was continued during and following the Uranium Boom; the plant was closed down and partially dismantled in October 1964.

The Rio Grande Southern Railroad had struggled through the years; builder Otto Mears had done his job well, but receiverships and F. C. A. loans failed to make the continued operation of the road profitable. Bought by the New Orleans Salvage Company for scrap in 1953, most of the equipment was resold piecemeal. Presently much of the old railroad grade is a part of Colorado State Highway 145.

In 1946 the granger population of Dove Creek in the west end of Dolores County had succeeded in getting the County Seat moved from Rico. Loss of the County Seat and the scrapping of the Rio Grande Southern Railroad deprived Rico of two most important assets.

Rico and the entire region had undergone revolutionary changes but much of the potential of the old camp remains. A cross section of the District is indicative of the struggle Rico is making to retain its identity as a mining town.

Rico, 1968: Population, 400; Government, Mayor and six-member Board of Trustees; Fire Department, volunteer, 16 members, F-8 Ford 500-gallon 3-stage pumper, chemicals, ambulance. The Fire Department and Town Marshal are under the supervision of the Mayor and Town Board; Churches, Catholic, Presbyterian Community, First Baptist, Mormon; Mining, Rico Argentine Mining Company, (Sherman B. Hinckley, Pres. and General Manager; Orval L. Jahnke, Supt. Offices: Burley Bldg., Rico and 605 Kearns Bldg., Salt Lake City, Utah. Seventy-five to eighty employees; 150 tpd flotation mill operating three shifts six days per week; capacity production constant.), Jones Mines (Myron L. Jones, Rico. Under development. Production of lead-zinc ore containing silver and gold presently being stockpiled awaiting completion of repairs to the Silver Bell Mill at Ophir, Colorado. Delivery of 50 tpd to the mill is expected to begin on or before September 1, 1968.); other, one general store, modern; one six unit motel, new; two service stations; one bar & cafe; one drive in restaurant, new; one package liquor store; two 3/2 beer outlets.

The community is served by Drs. Merritt, Lowther and Davis of Dolores and the Southwest Memorial Hospital, Cortez.

The old problem of transportation will be solved with the completion of Colorado Highway 145 scheduled for early fall; micro-wave telephone service recently installed on East Elliot Street, Rico, and a relay station on Expectation Mountain will resolve the difficulties of unsatisfactory communications.

The demand for silver and the increase in price has stimulated new interest in mining. Plans for increased mining activity in the Rico District are gaining momentum; the outlook is bright and the future may be rewarding.